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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

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JEFF HATCH-MILLER, Chairman  
WILLIAM A. MUNDELL  
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KRISTIN K. MAYES  
GARY PIERCE

AZ CORP COMMISSION  
DOCUMENT CONTROL

IN THE MATTER OF:

ARIZONA WATER COMPANY, AN ARIZONA  
CORPORATION,

Complainant

vs.

GLOBAL WATER RESOURCES, LLC, A  
FOREIGN LIMITED LIABILITY COMPANY;  
GLOBAL WATER RESOURCES, INC., A  
DELAWARE CORPORATION; GLOBAL WATER  
MANAGEMENT, LLC, A FOREIGN LIMITED  
LIABILITY COMPANY; SANTA CRUZ WATER  
COMPANY, LLC, AN ARIZONA LIMITED  
LIABILITY CORPORATION; PALO VERDE  
UTILITIES COMPANY, LLC, AN ARIZONA  
LIMITED LIABILITY CORPORATION; GLOBAL  
WATER – SANTA CRUZ WATER COMPANY,  
AN ARIZONA CORPORATION; GLOBAL  
WATER – PALO VERDE UTILITIES COMPANY,  
AN ARIZONA CORPORATION; JOHN AND  
JANE DOES 1-20; ABC ENTITIES I-XX.

Respondents.

DOCKET NO. W-01445A-06-0200  
SW-20445A-06-0200  
W-20446A-06-0200  
W-03576A-06-0200  
SW-03575A-06-0200

Arizona Corporation Commission  
**DOCKETED**

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PROCEDURAL ORDER

**BY THE COMMISSION:**

On March 29, 2006, Arizona Water Company ("AWC") filed a complaint against Global Water Resources, LLC, Global Water Resources, Inc., Global Water Management, LLC, Santa Cruz Water Company, LLC, Palo Verde Utilities Company, LLC, Arizona Global Water – Santa Cruz Water Company and Arizona Global Water – Palo Verde Utilities Company (collectively "Respondents").

1 On October 6, 2006, the Commission's Utilities Division ("Staff") filed a Staff Report in  
2 Docket No. W-00000C-06-0149<sup>1</sup> addressing the Comments that had been received regarding  
3 regulatory treatment of non-traditional funding mechanisms. Although Staff concluded that  
4 Infrastructure Coordination and Finance Arrangements ("ICFAs") should be treated as advances or  
5 contributions instead of equity for ratemaking purposes, Staff did not address the issue of whether  
6 entities which employ non-traditional financing arrangements, such as ICFAs, should be considered  
7 public service corporations or otherwise subject to the Commission's jurisdiction.

8 By Procedural Order issued December 20, 2006, Staff was directed to file in the above-  
9 captioned Complaint Docket, by January 19, 2007, a legal brief addressing the issue of whether  
10 entities which employ non-traditional financing arrangements, such as ICFAs, should be considered  
11 public service corporations or otherwise subject to the Commission's jurisdiction. Staff was also  
12 directed to discuss any other issues that may be relevant to the Commission's consideration of  
13 whether it should assert jurisdiction over ICFAs and the entities employing such arrangements and, if  
14 so, what action should be taken regarding such devices. Responses to Staff's brief were ordered to be  
15 filed by February 2, 2007.

16 On January 19, 2007, Staff filed a Request for Extension of Time to file its legal brief. Staff  
17 requested an extension until February 9, 2007 due to the press of other matters.

18 **IT IS THEREFORE ORDERED Staff's extension request is hereby granted and Staff shall**  
19 **file, by February 9, 2007, a legal brief addressing the issue of whether entities which employ**  
20 **non-traditional financing arrangements, such as ICFAs, should be considered public service**  
21 **corporations or otherwise subject to the Commission's jurisdiction.** Staff's brief should also  
22 discuss any other issues that may be relevant to the Commission's consideration of whether it should  
23 assert jurisdiction over ICFAs and the entities employing such arrangements and, if so, what action  
24 should be taken regarding such devices.

25 **IT IS FURTHER ORDERED that Staff's brief shall also be filed in the Generic Docket**  
26 **(Docket No. W-00000C-06-0149).**

27 \_\_\_\_\_  
28 <sup>1</sup> *In the Matter of the Commission's Generic Evaluation of the Regulatory Impact From the Use of Non-Traditional Financing Arrangements by Water Utilities and Their Affiliates ("Generic Docket")*

1 IT IS FURTHER ORDERED that responses to Staff's brief shall be filed by no later than  
2 February 23, 2007.

3 IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend,  
4 or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at  
5 hearing.

6 Dated this 23<sup>rd</sup> day of January, 2007

7  
8   
9 DWIGHT D. NODES  
10 ASSISTANT CHIEF ADMINISTRATIVE LAW JUDGE

11 Copies of the foregoing mailed/delivered  
12 this 23<sup>rd</sup> day of January, 2007 to:

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